United Nations A/56/PV.5

General Assembly
Fifty-sixth session

Official Records

5th plenary meeting
Thursday, 20 September 2001, 3 p.m.
New York

President: Mr. Han ..... (Republic of Korea)

The meeting was called to order at 3.10 p.m.

Agenda item 97 (*continued*)

Sustainable development and international economic cooperation

(c) High-level dialogue on strengthening international economic cooperation for development through partnership

Mr. Manalo (Philippines): At the outset, please accept my delegation's congratulations on your election, as well as the assurances of our fullest cooperation in ensuring the success of this high-level dialogue and of the fifty-sixth session of the General Assembly.

Allow me also, Mr. President, to take this opportunity on behalf of my government to extend to the city of New York and the people and Government of the United States of America our deepest condolences on the barbaric terrorist attacks of last week. We stand with the United States and the international community in condemning last week's outrage. We also wish to associate ourselves with the statement of Iran on behalf of the Group of 77 earlier this morning.

This dialogue takes place at a crucial time. As the mechanism for the follow-up to the Agenda for Development, we have the opportunity to assess how the agreed outcome has withstood the test of time, in particular how our objectives have fared in their implementation. As a result of the lessons learned, we can also look forward to applying our experience in order to work towards successful outcomes at the International Conference on Financing for Development and the World Summit for Sustainable Development. In this respect, our theme for this dialogue "Responding to globalization: facilitating the integration of developing countries into the world economy in the twenty-first century" also, indeed, encompasses the objectives of both the financing for development and the World Summit for Social Development (WSSD) processes.

During our meeting, we must keep foremost in our minds the idea that the objective of development is not only economic growth, but also concrete and sustainable improvements in the quality of the lives of the majority of humanity over time, in both absolute and relative terms. Our goal at this high-level dialogue and the task of this organization, insofar as development is concerned, is to provide the political impetus for the fulfilment of the developmental commitments, particularly those enshrined in the Millennium Declaration. My delegation also looks forward to this dialogue as being an input to both the financing for development and WSSD preparatory processes.

Towards this end, my delegation wishes to make the following points:

First, we must continue to foster a holistic and sustainable approach to development, taking into

This record contains the text of speeches delivered in English and of the interpretation of speeches delivered in the other languages. Corrections should be submitted to the original languages only. They should be incorporated in a copy of the record and sent under the signature of a member of the delegation concerned to the Chief of the Verbatim Reporting Service, room C-178. Corrections will be issued after the end of the session in a consolidated corrigendum.

01-54277 (E)

account individual peculiarities and circumstances. We must develop a new consensus model of development that takes into account the views, needs and priorities of all partners in development, particularly the recipient developing countries, who are, after all, the object of development. This new consensus model of development is what many hope will emerge as one of the major outcomes of the International Conference on Financing for Development.

Secondly, my delegation believes that it is each country's primary responsibility to pursue its unique development process. At the same time, we recognize that, in many cases, the indigenous capacity of developing countries to pursue development efforts, including competing in the global economy, may be insufficient because the international environment and community play a significant role in influencing the pace and direction of development, especially in this age of globalization.

The international community should, therefore, taking into account the diversity among nations and specific country circumstances, promote an international environment conducive to development and the integration of developing countries in the global economy. This effort should also be geared to maximizing the sustainability of development efforts, both with respect to maintaining long-term economic growth, as well as in managing the resulting impact on the environment and the social infrastructure. Achieving this would also contribute to ensuring and maintaining international peace and security. We should also avoid, as one development expert has noted, "overdetermining development" by setting forth an abundance of prescriptions that, in the final analysis, say that everything development brings is a necessary input to achieving it.

Thirdly, the participation of developing countries in international economic decision-making processes should be enhanced.

Finally, we must ensure that as we discuss the bridging of the digital divide, we do not neglect the importance of strengthening domestic economic fundamentals, which in most developing countries are linked to external economic developments and factors.

Mr. Mejdoub (Tunisia) *(spoke in French):* I would like to begin by warmly congratulating you on your election as President of the fifty-sixth session of the General Assembly. I am convinced that under your guidance the work of this second high-level dialogue on strengthening international economic cooperation for development through partnership will be a great success.

Allow me to reiterate Tunisia's condolences to the American people and Government following the terrorist attacks that occurred last week. My delegation also fully endorses the statement made this morning by the Chairman of the Group of 77. My delegation is pleased that this second high-level dialogue is being held and we are also pleased with the judicious selection of the items included on our agenda, which are at the core of the concerns of the international community. Coming in the wake of the Millennium Summit and on the eve of important events, such as the International Conference on Financing for Development and the World Summit on Sustainable Development, which will include a 10-year review of the implementation of the recommendations of the United Nations Conference on the Environment and Development and is scheduled to be held in South Africa in 2002, this dialogue takes on a particular importance. It will provide an excellent opportunity to discuss the strategy for the millennium, a strategy designed to create a climate that will be favourable to the development and integration of developing countries in the globalized economy, to eliminating poverty and cutting in half the percentage of people in the world whose income is less than one dollar a day by the year 2015, and to promoting access to the markets of the North of the products of the countries in the South — an order which, in short, will establish a more just, more humane and more equitable world economy, where the benefits of globalization will be distributed equally and equitably.

The world has entered a new millennium and yet it has still not been able to solve the inexorable problems of poverty and underdevelopment. The realization of economic well-being for all is one of the primary objectives of the United Nations, and one that is far from being achieved. We note with bitterness the persistence of many signs of lack of respect for the dignity of man.

Also, in many countries, and especially in Africa, people continue to suffer from a number of scourges, such as epidemics, malnutrition, armed conflict and civil wars — scourges which appeal to the human conscience and demand the establishment of a true

partnership between or among all nations based on shared development and solidarity.

In the face of this situation, Tunisia's President has, since 1989, spoken here on the need to reflect on an international contract for peace and progress to build a better future for the international community. We are, in fact, convinced that progress in the area of a sustainable development will not be accomplished unless there is a partnership between the North and the South based on the principle of shared but differentiated responsibility.

It augurs well that the Millennium Summit declared solidarity a basic, fundamental value among the values that should govern international relations in the twenty-first century. Leaders of the entire world have also stressed the urgency of taking action to fight poverty. This is the framework for the proposal made by President Zine El Abidine Ben Ali to create a world solidarity fund to help eliminate poverty and promote social and human development in the poorest areas of the world. This proposed world solidarity fund is an instrument which will complement or add to the various existing mechanisms and should be financed by voluntary contributions and grants.

Tunisia has launched this initiative on the basis of a national experience which proved effective and which made it possible to reduce poverty, which is estimated today at around 6 per cent, through solidarity. We are pleased to see that the General Assembly has greeted this initiative favourably in its resolution 55/210, and we invite all Member States of the United Nations and international institutions to contribute to making this project a reality on the occasion of this fifty-sixth session so that we may further solidarity and peace in the world.

We cannot have development without development financing. Tunisia therefore attaches great importance to the International Conference on Financing for Development which is scheduled to take place in Monterrey, Mexico, 18 to 22 March 2002. We trust that this conference will provide an opportunity for discussing the various aspects of financing for development and that important decisions and conclusions will be adopted that will take into account the concerns of developing countries. Among these concerns are those relating to reversing decline in official development assistance, foreign debt, and capital fluctuations and the volatility in direct private investments. This conference should also make it possible to put in place a new international financial infrastructure that will provide for ways to prevent, manage and settle financial crises.

The Secretary-General, in his annual report, A/56/1, stressed that information and communications technologies are a good way of drawing the potential benefits from globalization. We note, however, that developing countries have not been able to profit fully from the fast-paced progress in these areas in recent years. The global nature of this new environment and the unequal pace of its development — sometimes referred to as the digital divide — make it essential that we set up an international dialogue and implement global approaches to facilitate adaptation to this new reality and to improve the involvement of developing countries in the global information network.

We are pleased that the Secretary-General is launching a United Nations study group on information and communications technologies as a result of the high-level debate in the Economic and Social Council in July 2001. The main task of this group will be to exploit the various possibilities provided by information and communications technologies.

We believe that efforts to close the digital divide will be intensified on the eve of worldwide summits which are to be organized by the United Nations system, in close cooperation with the International Communication Union (ITU), in Geneva in 2003 and in Tunis is 2005. The choice of Tunisia to host the second phase of this summit shows the desire of the international community to reduce the technology gap between the North and the South and to foster development, peace and justice — which is the mission of the United Nations in all regions of the world.

Africa is assuredly a continent that deserves special attention on the part of the international community. The Millennium Summit clearly stressed this need and invited the United Nations system to play the role of a catalyst in mobilizing resources for the development of this continent and its integration into the global economy. African countries have made enormous sacrifices to undertake the structural reforms of their economies and to guarantee the success of their development plans on the basis of their own resources. However, political, economic and social challenges facing the continent are such that it has been impossible for it to ensure its own development

without the cooperation of the international community, especially of the United Nations.

We would like, therefore, to reiterate our appeal for increased mobilization in favour of the development of Africa and for the establishment of a true international partnership. We stress the need to proceed with complete or partial cancellation of the African debt and converting it for financing development projects and projects to fight poverty and protect the environment. We believe that it is vital that the international community adopt specific measures to promote trade and commerce and to ensure that Africa will profit from advances in new technologies and in information and communications, as well as from the investment and capital flows.

We are convinced that our discussions in plenary as well as at roundtables and in informal working groups, with the participation of non-governmental players, will enable us to arrive at important decisions which will be on a level with the commitments made at the Millennium Summit and will meet the aspirations of our peoples for progress and for prosperity.

Mr. Motomura (Japan): Please accept our warm congratulations, Sir, on your assumption of the presidency of the General Assembly.

On behalf of the people and Government of Japan, I extend my profound sympathy and condolences to those who suffered losses in the recent terrorist attacks, as well as to all the people and the Government of the United States of America. Japan deplores the heinous acts of terrorism that were perpetrated against the United States on 11 September. These acts must be considered not only as assaults against the United States, but as crimes against humanity.

Today I would like to comment on three issues that are related to the strengthening of international economic cooperation for development through partnership and the integration of developing countries into the world economy.

First of all, I would like to point out that the role of information and communication technologies (ICT) in helping the international community to cope with globalization is indispensable. ICT has the potential to increase productivity and to create and sustain economic growth and employment. In the light of this potential, it is important to ensure that everyone can benefit from ICT. In this regard, I recall that you, Sir, mentioned in your initial address as President of the General Assembly that

> "the General Assembly can make useful contributions by calling global attention to the need for bridging the digital divide." (*A/56/PV.1*)

I fully support your view on this matter.

On this occasion, I would like to refer to the announcement made by the Government of Japan in July 2000 of the worldwide "Comprehensive Cooperation Package to Address the International Digital Divide", for which it will make available a total of $15 billion over five years. Since then, Japan has dispatched dialogue missions to countries such as the Philippines, Thailand, Cambodia, Indonesia, Singapore, Viet Nam, Malaysia, South Africa and Tunisia. Japan has also participated actively in the Digital Opportunity Task Force. The objective of these efforts is to eliminate the digital divide by ensuring that developing countries do not fall behind in their development efforts, and that everyone benefits from the potential of ICT. I would also like to take this opportunity to say that Japan looks forward to the success of the World Summit on the Information Society, to be organized by the International Telecommunication Union (ITU).

Mr. Baialinov (Kyrgyzstan), Vice-President, took the Chair.

The second issue I would like to comment on is that of financing, both public and private, for development. As we are all aware, official development assistance (ODA) plays an important role in the public financing of development. Japan has been the top donor of official development assistance for almost a decade, having provided a total ODA of more than $100 billion during that time. At present, however, the Government of Japan is reviewing its overall economic policies, including its ODA, under Prime Minister Koizumi's "structural reforms without sanctuaries" policy. The reason why Japan has provided approximately a quarter of the total ODA extended worldwide for almost the past decade, despite its severe economic and financial situation, is that it fully recognizes the importance of ODA in the economic development of developing countries. Under these circumstances, Japan is resolved to ensure that ODA projects are implemented in an efficient and effective manner.

With respect to our response to globalization, ODA has a number of important roles to play. One of them is the humanitarian role of a social safety net. It is important to assist those countries having trouble in weathering the storms of globalization on their own.

ODA can also prime the pump for attracting private funds through infrastructure building. Let me give some figures. In 2000, total ODA to developing countries throughout the world amounted to $50 billion, while foreign direct investment (FDI) in developing countries amounted to $240 billion. Thus, even this tremendous amount of ODA accounted for only 18 percent of total FDI. Accordingly, an important goal is to increase FDI in the developing world. ODA, which is less available than private funding, could support those measures taken by developing countries to attract foreign direct investment.

In connection with FDI, I would like to mention here the importance of coping with a chain reaction in which a financial crisis in one country could affect the international financial system as a whole, as we observed in the case of the Asian monetary crisis several years ago. In order to cope with that crisis, Japan adopted an approximately $30 billion financing scheme, called the "New Miyazawa Initiative," under which some Asian countries were able to avoid excessive dependence on short-term capital and build a long-standing and stable financing mechanism. Bilateral swap arrangements under the Chiang Mai Initiative have also been agreed upon to achieve the same objective.

Finally, and perhaps most importantly, I would like to stress the principle of "ownership and partnership", which Japan introduced at the Tokyo International Conferences on African Development. It is imperative for developing countries themselves to take appropriate measures to cope with the globalization process. At the same time, from the perspective of partnership, developed countries, United Nations agencies and international organizations, as well as other developing countries, are required to respond to the efforts made by the developing countries concerned. In particular, it is important to further deepen the dialogue with the private sector as a partner for development because private companies are leading the information technology revolution, and they are the sources of foreign direct investment.

While it is my sincere hope that today's gathering will provide the United Nations with new perspectives in the field of development, in March 2002 we will have an opportunity to discuss in greater depth the actions we should take in response to globalization, at the High-level Event on Financing for Development.

In concluding my remarks, let me express the hope that our actions today will lead to a greater understanding of the tasks that lie before each stakeholder and also lead to productive discussions in Mexico.

Mr. Sharma (India): As this is the first time I have spoken in the plenary this session, let me express our outrage at, and condemnation of, the monstrous act of terrorism perpetrated recently on the host country, and express our sympathy and condolences to the bereaved, and deep regret over the immense material damage that has been caused. We are encouraged to see that the phenomenon of terrorism is being perceived as a challenge to the international community as a whole, which is to show the determination to eradicate it from all parts of the world. This objective of the global community is closely linked with socio-economic stability and advancement, a subject that concerns us today.

Talking at this juncture, we have to be mindful of the context of the protests against skewed globalization, which have become a feature since Seattle in 1999, and indeed a serial phenomenon, seen in Melbourne, Prague, Seoul, Nice, Barcelona, Washington, Quebec City, Gothenburg and Genoa.

It would be a mistake to dismiss that phenomenon as foolish protesters or as a travelling circus of professional rioters and anarchists. It is true that on such occasions such elements see an opportunity for unfortunate, irresponsible and provocative behaviour, which then tends to receive media attention. Hopefully, a remedy can be found for that. However, we should be more mindful of the mood of disquiet and concern at the direction of globalization that that phenomenon represents.

Take some of the figures that have been cited. Last year, campaigners for debt relief for the world's poorest countries gathered 24 million names, the largest petition in history. Just two years ago, 25 protesters turned up at the World Bank/International Monetary Fund (IMF) annual meeting in Washington. Last year, the figure was 30,000. At the end of this

month, for the truncated World Bank/IMF meeting — now cancelled — activists were predicting the presence of more than 50,000. A survey this summer in *Le Monde* showed that 56 per cent of people in France thought that multinational corporations had been the beneficiaries of globalization; only 1 per cent thought that consumers and citizens had benefited.

There are many areas of concern, such as domination of the profit motive, the deterioration of the environment, the lopsided advantage to those well placed to exploit the forces of globalization, the neglect of what should be the predominant poverty agenda and the lifting of lives of the poor, the erosion of confidence in the democracy and priorities of international institutions, the political influence of money, the anxiety of job insecurity, the sense of growing inequality, the commercialization of public spaces, supra-national authorities overshadowing national and local Governments, and a sense of powerlessness. There are many other concerns that feed into that mood of anxiety. There is a sense that the global order has become dysfunctional and iniquitous. That sense is exacerbated by the knowledge that in a globalizing world — with its resources of expanding trade, burgeoning investments, a foreign direct investment average of around $100 billion in the late 1980s and $900 billion a decade later, the movement of capital and the resources of science and technology — it should be more possible than ever before to put together a positive programme of change so that globalization is seen as a tide that lifts all boats, and not a process dividing the world into winners and losers, advantaged and deprived, corporate benefit and individual loss.

We should make no mistake about the fact that globalization and global capitalism are battling today to win the argument. We in the United Nations have the responsibility of conducting creative, constructive and purposeful deliberations to rectify the perceived shortcomings and to consider how that argument can be won. The high-level dialogue on strengthening international cooperation for development is taking place at a time of renewed uncertainty about global economic prospects on account of the significant slowdown in major economies and the resultant decline in world output and trade. This dialogue was envisaged as a forum to discuss issues concerning the international economic environment, and thereby to promote convergence of perceptions and advance multilateral cooperation for development in a spirit of partnership based on mutual interests and shared benefits. We are confident that during this dialogue there will be stimulating and fruitful discussions on the theme "Responding to globalization: facilitating the integration of developing countries into the world economy in the twenty-first century", and on the two sub-themes.

The era of globalization and liberalization in which we live today promised to mankind unprecedented prosperity. It was hoped that the free flow of capital, goods and services would bring about sustained and equitable growth in all nations. This, however, has not happened. The benefits have accrued unevenly, resulting in a world where there is prosperity in a smaller part and poverty in the larger part, where disparities in income and wealth between nations and within nations are widening.

The figures attesting to that are common knowledge. Today, 66 countries are worse off than they were a decade ago. *The Economist*, in its issue of 16 June 2001, points out that there are more rich people than ever before, including some 7 million millionaires and over 400 billionaires, while at the same time, currently 2.8 billion people live on less $2 a day, and 1.2 billion on less than $1 a day. The average income in the richest 20 countries is in a different world from the average in the poorest 20. Clearly, we all need to work collectively to reverse this trend of increasing disparities and to ensure that globalization works for all — all nations and all segments of society.

Globalization done right — that is, supportive of the social and economic development objectives of developing countries — is what we need to ensure. We have to make certain — the choice is not between globalization and isolation — by coming to a common understanding on the terms on which equitable globalization would progress. We must ask ourselves, if it is so self-evident that globalization is a beneficial process, why that is not being universally recognized. The anxieties relate to disparities, unequal returns and a sense of vulnerability. We believe that our responses could lie in accepting the obligation of making the process universally acceptable by ensuring that it is universally beneficial. We need to look at ways and means by which developing countries can beneficially integrate into the world economy.

A number of developing countries have experienced low growth rates in the past two decades. It used to be thought that poor performance was due to weakness in domestic policies. But that explanation is less convincing because policies have in fact converged over the last decade. A large number of developing countries experiencing poor growth have been engaged in structural adjustment programmes.

The domestic reform agenda is familiar to us. Despite this, performance has fallen short of what was hoped for. Part of the explanation may be inadequate implementation at the national level, which may need to be addressed. There are, however, external constraints that can be addressed only jointly with the world community. This makes international dialogue more imperative than ever; it should embrace a range of issues, from strengthening the financial architecture to creating an enabling international environment through concerted action on trade, debt, private capital flows, official development assistance and the application of science and technology, including information and communication technologies.

In the coming period, three key events will offer us the opportunity to address the concerns of the developing countries and to move towards an equitable and inclusive world economy: the Ministerial meeting of the World Trade Organization, to be held in Doha in November; the Financing for Development Conference, to be held in Monterrey next March and the World Summit on Sustainable Development, to be held in Johannesburg next September. At these meetings we must demonstrate the political will to achieve the goals of sustained economic growth and sustainable development for all. We believe that our approach to the issues that require attention should be as follows.

In trade issues, we need to address outstanding implementation issues, including the implementation of special and differential clauses in favour of the developing countries in various World Trade Organization agreements. Protectionist measures and continued barriers in areas of priority to developing countries, such as agriculture, textiles and clothing, should be dismantled. The World Bank has pointed out that in agriculture alone the trade benefit from the removal of subsidies is envisaged to be $350 billion per annum.

We also need to examine ways and means by which private capital flows and foreign direct investment, which are becoming increasingly important as vehicles of external financial support, can be used for increasing productive capacity and infrastructure development in developing countries. In the case of short-term capital flows, we should seek to establish appropriate mechanisms to contain the sudden capital flights that can cause a breakdown in domestic economies.

Since private capital flows cannot be considered as a substitute for official development assistance (ODA), the developed countries should, in a time-bound manner, reverse the long decline in ODA, which has fallen to 0.22 per cent of their GDP, and work up quickly to the internationally agreed target of 0.7 per cent. It is crucial to stress the centrality of the core social agenda, essential for healthy growth, as stated in the Millennium Summit Declaration.

There is a need to build on the Heavily Indebted Poor Countries Initiative, and push for wider, deeper and faster debt relief measures that would free resources from repayment cycles for use in national poverty eradication and development programmes. This relief should be linked to market access measures to ensure sustainability.

Decision-making structures through which governance is exercised internationally must be made broader and equitable by accommodating greater participation by, and a real voice for, developing countries. The international financial structure needs strengthening, as does the multilateral trade regime. Greater consistency and coherence must be achieved among macroeconomics, trade, aid and financial policies to ensure support for our common aim of expanding the benefits of globalization.

We need to find new and innovative resources for development priorities to supplement the traditional funds so as to achieve the international development goals within the agreed time frame. In this context, we note the renewed interest in the Tobin tax.

The international community must regenerate commitment at the highest political level for the implementation of Agenda 21 by identifying constraints and reaffirming its commitment to make available to the developing countries new and additional financial resources and to transfer to them environmentally sound technologies.

Globalization has been driven by new information and communication technologies. While ICT can play an important role in promoting development, there are constraints to accessing knowledge, particularly by citizens and institutions of developing countries. We believe that the ICT Task Force can play an invaluable role in bridging the digital divide, fostering digital opportunity and firmly putting ICT at the service of development for all. We must, however, guard against criminal networks; taking advantage of the most advanced technologies.

In conclusion, we would like to emphasize that the United Nations, with its universal membership and ability to undertake a holistic treatment, is uniquely placed to play an important role in the debate on globalization. We have had a most creative and constructive interaction with the Fund and the Bank. We further believe that we are at a moment in international economic discourse when significant shared ground has already been created. We are not talking past each other, but to and with each other. We need to build on this so that, with collective political resolve, we can consign poverty and hunger to the past and look forward to an equitable future for all humanity.

Mr. Effah-Apenteng (Ghana): May I first take this opportunity to express the profound sympathy and condolences of the Government and people of Ghana to the Government and people of the United States over the death and damage caused by the terrorist acts. We are acutely aware that such actions are not only attacks on our values as a civilized community but are also actions whose economic ramifications affect all countries, especially in this era of globalization.

My delegation considers this session of the high-level dialogue, which is being held in a period of a global economic slowdown, as timely, since it provides an opportunity to draw the necessary lessons from it and define a bolder vision to match the possibilities of globalization.

The recurrence of financial crises and economic slowdown in the midst of the market expansion driving globalization, and the persisting levels of poverty in the face of the unlimited potential of globalization to expand the wealth of nations, are an indication of our failure as a world community to harness the opportunities of globalization to their fullest.

Many people around the world today who should be part of the global markets are simply existing on its margins because they live on less than $2 a day. Many who should contribute value to those markets are either excluded from the value chain because they do not have the requisite skills or are at the periphery of productive activity which now requires new skills. Opportunities for educating a skilled labour force through knowledge networks and for raising the quality of life through technology-supported advances in education, health, nutrition, crop yields and entrepreneurial activity are being squandered, as the statistics continue to show. As a result, globalization, which is a process of integration of economies, culture, technology and governance, threatens to deepen the fissures of societies by increasing income gaps within and among nations.

Addressing the challenges of globalization would require measures that create opportunity for all countries and all people to participate in its processes, including the empowerment fostered by its easily accessed knowledge networks. Developing countries have a particular responsibility in this regard to build on their economic reform efforts of past decades to ensure a sound, stable macroeconomic environment capable of stimulating greater savings, preventing capital flight and attracting private sector investments, both local and foreign.

Equally, we must promote conditions of governance based on institutions and laws to enable our citizens to thrive on their creative abilities and to reap the benefits of stability and law and order. The effective development of our human resources, particularly through the design of forward-looking curricula to ride the crest of innovation, must take first priority in our development efforts. These efforts must take advantage of the work of the Information and Communication Technology Task Force.

Political and economic processes which promote market expansion at the regional level and stability are also crucial in this respect. In this connection, the intensified efforts to achieve integration, particularly in Africa, need to be pursued and supported to ensure their realization in the shortest possible time. The New African Initiative, which was adopted by African leaders in Lusaka, Zambia, in July, asserts that the advantages of effectively managed integration present the best prospects for future economic prosperity and poverty reduction. The New African Initiative, which is

anchored in the fundamental principles of African ownership, leadership and accountability, also recognizes the importance of enhanced partnerships at the international level to enable Africa to achieve the objectives which it has set for itself.

To accept the primary responsibility for our own economic development does not therefore mean that developing countries on their own can achieve beneficial integration into the global economy. Decisions, actions and inaction of the so-called systemically significant economies, especially the developed countries, affect in a significant manner the ability of many developing countries to participate effectively in the global economy. Indeed, it is well understood that the most effective engagement with globalization must be global in scope. It was in this light that world leaders in their Millennium Declaration, only a year ago, called for policies and measures which correspond to the needs of developing countries and economies in transition.

The mix of policies necessary to sustain a supportive external economic environment conducive to accelerated development in developing countries remains essentially the same as those contained in the Declaration on International Economic Cooperation. Not surprisingly, the thrust of the Millennium Summit was the recognition of the failure to achieve the objectives which are contained in the Declaration and the International Development Strategy for the last decade and a determination to reverse past performance.

An essential component of any new strategy to integrate developing countries into the global economy must include the strengthening of the international monetary and financial system through greater transparency on the part of all participants — private, public and multilateral — in the world economy; increased participation in decision-making in both formal and informal processes by developing countries, including through regional mechanisms; and multilateral surveillance to cover all economies, including the major economies.

The international financial organizations will need to go beyond promoting macroeconomic discipline and liberalization to support institution-building in such areas as markets, law enforcement and public governance to enable institutional convergence between developed and developing countries. The international financial institutions, as well as the United Nations, should, in the context of the development of markets, provide support for local private-sector activity through the establishment of much-needed long-term funds.

Together with the resources that could be leveraged through innovative public-private partnerships involving the International Finance Corporation and the multilateral and bilateral guarantee and insurance agencies, these resources would represent a considerable proportion of the investment needs of the developing countries bypassed by present capital flows. Whether this will be done depends on the political will of the richest nations. It is clear, though, that unless they act, the supportive actions of the international community will continue to be too little, too late. That has been the case with respect to the current measures on debt relief and international trade, two of the areas critical to any efforts towards integration of developing countries into the global economy.

We believe that debt relief policies, within the context of the Poverty Reduction Strategy Papers, should reflect recognition of the need for those countries to achieve growth rates of 7-8 per cent per annum. The narrow definition of indices and the long drawn-out process of improving the Heavily Indebted Poor Countries Debt Initiative end up being a self-defeating exercise.

It is clear that, if debt relief is to have an enduring impact, the developed countries will need to take decisive steps to address the concerns of developing countries over the implementation of the Uruguay Round undertakings, particularly the Agreement on Textiles and Clothing, the Agreement on Agriculture, the provisions concerning special and differential treatment, the provisions on technical and other assistance by developed countries, as well as those issues relating to the built-in agenda. The World Trade Organization needs to be transformed to reflect the development dimension of trade and to ensure coherence in global policies in trade, finance and development.

The need to treat core policy areas as a package is not limited to external debt and international trade. It extends to systemic issues and foreign capital flows, including official development assistance. Official development assistance can be made to play a more

pivotal role, either in the development of infrastructure, long-term funding for the private sector or enhancing the role of the United Nations towards the achievement of the international development goals. This can be done if official development assistance is made to respond to national programmes instead of to the project approach. Taking into account the role of the United Nations in the implementation of the development goals, it is time also to consider assessing contributions to United Nations operational activity.

In a few weeks, the Preparatory Committee for the International Conference on Financing for Development will meet to begin work on the outcome document. The objective of that Conference holds the key to the successful integration of developing countries into the global economy. An outcome that results in partnerships to create the conditions for the mobilization of resources for the sustained growth and sustainable development of developing countries would make globalization a positive force for all.

We must use this forum as an opportunity to send that signal to those who would negotiate the outcome document. We must expect nothing less than a global consensus which reflects both the imperative of increasing the wealth of all nations and recognition of the need for global solidarity in a global village.

Mr. Fonseca (Brazil): Like previous speakers, I would like to begin by reiterating our expression of sympathy to the people and Government of the United States in view of last week's terrorist attacks. The news of the attacks has caused commotion and outrage in Brazil. We are deeply saddened by the tragic loss of life and by the suffering of thousands of innocent victims and their families. Brazil condemns in the strongest terms all forms of terrorism. We will continue to support the joint cooperative efforts of the international community, including here in the General Assembly, to eradicate these intolerable practices, which are utterly inconsistent with the building of an international order based on the principles of justice.

The concept of globalization can be interpreted in many ways. Its consequences have been different for different groups and nations. There are those who believe that globalization is bringing about a period of unprecedented economic growth, allowing more countries to benefit from financial flows and the transfer of knowledge and technology. At the other extreme of the debate, it is argued that the process unleashed by globalization has been leading us to economic crises, increased social disparities, high levels of unemployment and the prevalence of market competition over social goals. Another fundamental question concerns the degree of freedom of States in the face of this new challenge and the reason why some countries are more able to adjust to this process than others.

Nobody disputes that many countries face a dramatic situation today. One third of the world's population lives on less than $2 a day, and globalization has not been able to meet the needs of developing countries. Therefore, there is an urgent need to promote and strengthen international cooperation.

How should we deal with this enormous challenge? I believe the theme of this dialogue points in the right direction, that is, towards facilitating the integration of developing countries into the global economy in the twenty-first century. Actually, what we need is not less, but more globalization — a genuine, more inclusive and more equitable globalization. The way out is not to stop the process, but to bring in more countries and more people. Our common efforts should be geared to offering opportunities for those who are on the fringe of globalization and do not have the conditions to benefit from it.

As Brazil stated during the preparations for the International Conference on Financing for Development, the key word in this process must be integration. This long anticipated conference represents one of our most important efforts to address fundamental aspects of globalization. We hope that it will address the complexities derived from the variety of actors involved in this process and bring together all stakeholders. I mean developed and developing countries, multilateral institutions, the private sector and civil society. We hope that the Conference will allow for the evaluation of all matters essential to development, such as trade, systemic issues, capital movements and debt. We also hope that it will contribute to the implementation of all development goals set forth in the major conferences of the 1990s and the Millennium Declaration.

Let me now give some examples to explain the kind of globalization of which we are most in need. I will concentrate on three areas: trade, the international

financial system and information and communication technologies (ICTs).

As far as trade is concerned, we need to move from the rhetoric to the practice of liberalization. Export sectors of interest to developing countries are still far from being subject to the same rules that apply to other sectors. Regrettably, protectionism persists. A number of tariff and non-tariff barriers severely hinder the exports of developing countries, among them tariff peaks and tariff escalation, quotas and the abusive utilization of antidumping measures. These policies have been used against agricultural goods, steel products and textiles, to mention just a few export items. Even worse, subsidies to the agricultural sector in developed countries amount to more than $1 billion a day.

Over the last decade, Brazil has opened up its market but has not met reciprocity. If free trade is a characteristic of globalization, then indeed there must be more globalization, which, in this case, means a fair world trading system that provides developing countries with better opportunities. Secretary-General Kofi Annan stated last July at the Economic and Social Council high-level event that the international community should restore the momentum of open markets by launching a new round of trade negotiations, which must be a true development round, in the sense that it would give genuine priority to the concerns and interests of developing countries.

Another important area is that of the international financial system. The financial crises of the mid- and late 1990s increased awareness regarding the adoption of sound macroeconomic policies. Brazil has implemented these policies, which, among other positive results, have contributed to economic stability and the present flow of foreign direct investment to my country.

Nevertheless, for these domestic policies to succeed, they must go hand in hand with an international enabling environment. Unfortunately, the risks of instability continue to hover over the international financial system. Since all countries may be affected, all of them should have a say in the international decision-making process. However, there is nowadays a participation deficit. Globalization consists not only in the emergence of certain new trends, but also in the need to establish appropriate frameworks for them, so that we can avoid a lack of governance and make it possible for everybody to benefit. Again, what we need is more globalization, but one that involves consistent and participatory governance of the international financial system.

Finally, let me make a few comments on ICT. Much has been said about its leapfrog effect on development. As this year's Human Development Report shows, technology is, as never before, a fundamental tool for development and economic growth. ICTs allow for significant progress in areas such as education, health, culture, trade, agriculture, industry, tourism, job creation and even government transparency.

In these areas, Brazil has carried out many initiatives, at both the domestic and the international levels. The Brazilian Government has implemented an Information Society Programme, which aims at expansion of economic activities based on intensive use of ICT and the increase in the number of Internet users in the country.

Brazil has also taken part in international fora, such as the United Nations Task Force, and followed closely the developments in the DOT Force. Last June, in Rio de Janeiro, Brazil organized a meeting on ICT for development in order to discuss this issue with other developing countries members of Economic and Social Council and following the activities of the DOT Force. The declaration that emanated from that meeting emphasized the importance that developing countries effectively participate in international decision-making processes concerning information and communication technologies taking into account their economic, political, environmental, cultural and social impact.

As a matter of fact, information and communication technologies are a central feature in the globalization process. It has been said that, with the advent of ICT, many decisions can be made at the push of a button. More people should be given an opportunity to press the button of globalization. In this case, globalization means providing developing countries with more access to knowledge and technology.

One of the commonplaces used with reference to globalization is that there is nobody in charge. However, the conclusion to be drawn from the three examples that I gave is that there are institutions dealing with globalization. What we need is more integration and more participation of developing

countries, both in the formulation and in the implementation of international policies.

Globalization is a reality, not an ideology. It does not create by itself foundations for hope for a better future for the poor. Hope now has to be recreated by deeds. Achieving concrete progress on concrete issues is the only way to restore hope — a fundamental ingredient in our still divided society, which is still divided in unacceptable ways. Effective and clear signs that globalization could be the foundation for more equitable development are urgently needed.

Mr. Hasmy (Malaysia): It is with a heavy heart that we participate in this high-level dialogue on strengthening international economic cooperation for development through partnership, in the light of the recent tragic events afflicting our host country and our host city. On behalf of my Government and of my delegation, I express Malaysia's utter shock and revulsion at and strong condemnation of the recent heinous terrorist attacks, and offer our most profound condolences to the Government and the people of the United States and to other countries that have lost nationals as a result of those attacks. We will have another occasion to address this matter more substantively.

I wish to congratulate Ambassador Han on his election as President of the General Assembly at this session, and to assure him of our fullest cooperation.

The themes for our deliberations are particularly relevant in the context of our times, which are characterized by globalization, interdependence and revolution in the sphere of information and communications technology (ICT), among other areas. We hope that this dialogue will help promote broader and deeper understanding of these issues and their inter-linkages, and that it will provide a greater impetus for the promotion of international economic cooperation that will facilitate the integration of developing countries into the world economy.

My delegation associates itself with the statement made this morning by the Chairman of the Group of 77, which highlighted comprehensively the concerns of the developing countries in responding to the challenges posed by globalization and in integrating their economies with the global economy. I wish, however, to make additional remarks on a few of the issues already raised by the Chairman of the Group of 77, from the perspective of Malaysia.

One of the chief features of the current global economic situation is the disadvantaged position of the South vis-à-vis the North in spite of the much-trumpeted spirit of cooperation, complementarity and integration with the global economy. Whatever changes have taken place at the global level have not fundamentally changed the basic relationship between the developed and the developing countries, which continues to be characterized by the dominance of the wealthy North and the marginalization of the poor South.

The adverse position of the developing countries has been further worsened by the impact of globalization. Under globalization, with its increasing and more institutionalized linkages with, and dependence on, the developed North, the developing countries have become even more vulnerable to external factors. Nevertheless, globalization was embraced by the developing countries, first, because the process was perceived to be unstoppable and, secondly, in the hope and expectation that it would benefit the South. We are beginning to realize that globalization is not a universal remedy. It has its negative aspects, which must be seriously addressed if every State is to partake of the process in a meaningful way. This is important so as to ensure that the process benefits all States, not just a select and privileged few.

The Asian financial crisis was a telling reminder that playing by the rules of globalization, such as liberalizing the economy, does not automatically translate into more trade or faster growth and development for the developing countries. Nor does it ensure for those countries the protection of their hard-earned prosperity. Liberalization has its attendant risks, as Asian countries bitterly learned during the financial crisis. With that painful experience, there should be a better appreciation of the problems faced by the developing countries in integrating their economies with the global economy and of the need for appropriate measures to be taken to reduce the risks.

Clearly, the answer for the developing countries lies not in rejecting globalization, which is here to stay, but in adjusting to the process in a way that avoids, or at least minimizes, the risks. If the process is properly managed, there is no reason why globalization cannot result in a more equitable world order where wealth can be more evenly distributed between the rich and the poor. However, a partnership between them must first be forged.

To that end, it is necessary for the international community seriously to address a number of fundamental systemic issues so as to bring about a more level playing field. That process should begin with a revamping of the international financial architecture aimed at making it more transparent, accountable and participatory, so as to enable the developing countries, which constitute two-thirds of the world, to participate more effectively in the decision making processes at the International Monetary Fund, the World Bank and the World Trade Organization, among other institutions. Only in that way will the critical needs of developing countries be brought to the fore, thus facilitating their integration into the global economy. As an integral part of that process, there is a critical need to improve the infrastructure in many developing countries, especially in the least developed among them. It is clear that the advancement of those countries would be a major fillip for the globalization process. Hence the importance of assisting them in the building of their infrastructure. The Prime Minister of Malaysia, The Honourable Mahathir Mohamad, has on several occasions spoken about the need to focus on this issue at the international level and about the desirability of creating a dedicated pool of international financing for the development of infrastructure in the poor developing countries.

One of the most important dimensions of globalization, one which needs to be seriously addressed, is the revolution in information and communications technology. The world of today is firmly into the information age, where economics and every other aspect of human endeavour will hinge on the production, accumulation and application of knowledge. It is well acknowledged that ICT can play an important part in accelerating growth, eradicating poverty and promoting sustainable development in both the developing countries and the transition economies, while facilitating their integration into the global economy. Recognizing that ICT can become a powerful and effective tool for development, and in order to exploit the opportunities presented by the advances in information technology, the Malaysian Government has embarked on an ambitious programme for the full utilization of ICT in the country's development. It has developed an information technology hub called the multimedia super-corridor, measuring 15 by 50 kilometres and stretching from the capital city of Kuala Lumpur to the new international airport. The corridor offers a conducive environment for companies wishing to develop innovative information technology and multimedia products and services and to harness the full potential of multimedia. The development of the corridor is testimony to the Government's determination to catapult Malaysia into the knowledge economy in spite of the financial costs involved.

Unfortunately, while the development of ICT holds out prospects for accelerated growth in a few of the developing countries, that may not be so in many others. This is because of the increasingly fierce competition for investment funds for ICT projects; therefore, the multimedia super-corridor model in Malaysia may not be easily duplicated in other developing countries. It is likely that, for a considerable period of time in the future, the digital divide will continue to pose challenges for many developing countries in their efforts to integrate themselves into the global economy. That is to be expected due to the great disparities between the developed and the developing countries in the utilization of ICT. Less than 5 per cent of the world's population is engaged in activities related to ICT. While vast numbers of computers in the developed world are Internet-connected, many countries in Asia and Africa are still grappling with severe shortages of telephone lines, not to mention the problems of lack of electricity and a high level of illiteracy. Unless these and related problems are tackled satisfactorily, it is likely that the information and knowledge gaps between developed and developing countries will continue to widen and be made worse by globalization.

What is urgently needed is nothing less than a paradigm shift. The thrust of globalization needs to be reoriented, from one that is driven by the rich and developed countries to one of partnership between them and the developing countries, taking into cognizance the concerns and interests of the latter. Its redefinition must take place through a multilateral and democratic process, with the informed participation of all countries.

In this regard, the United Nations has an important role to play. It should assume its rightful and intended role as the institutional and policy apex, based on dialogue and collaborative efforts. We fully agreed with the Secretary-General when he said last year that "we must not let the new information technologies become another resource that divides rich and poor nations". We share his view that concrete and efficient actions are needed, at both the national and

international levels, to spread information technology and its benefits to the developing world so as to ensure that poor countries can join the knowledge-based global economy.

It is in this context that Malaysia welcomes and fully supports the establishment of a United Nations ICT Task Force. We have always believed that effective development requires a careful balancing of the roles of Governments and the other stakeholders, including the private sector, across a broad range of policies and actions. Through both good and difficult times, Malaysia has always emphasized a strong public-private partnership. This policy has enabled us to reach a higher level of international competitiveness and to participate more actively in the emerging global information economy.

It is our hope that the ICT Task Force will be able to bring together a broad-based coalition of multilateral institutions, the private sector, foundations and trusts, as well as bilateral donors, in order to mobilize resources to enable developing countries to benefit from the advancement of ICT. The United Nations ICT Task Force should be effectively used to strengthen the role of the United Nations system in promoting access to digital opportunities and to bridge the existing digital divide.

Mr. Kolby (Norway): Let me join other speakers in expressing the strongest condemnation of the terrorist attacks of 11 September. I also want to express my condolences to the people and the Government of the United States, and I would like to restate Norway's full commitment to combating terrorism.

The challenge of poverty must be met in a world where the speed of integration is high in all fields and where mutual dependence between countries and regions is becoming ever stronger. Global integration touches many areas such as trade and technology, as well as the environment and the social and cultural fields.

The most imminent challenge ahead of us is not to allow the poorest countries to continue to miss out on the positive political, economic and technological opportunities offered by global integration. This would be unfortunate for industrialized countries and developing countries alike, as both would be unable to take advantage of the opportunities for increased trade, investment and cultural exchange.

One of the most important issues facing us today is financing for development. The United Nations Centre for Trade and Development (UNCTAD) has estimated that for the year 2000 foreign direct investment to developing countries amounted to about $240 billion. This is more than five times the total volume of official development assistance (ODA) from the countries of the Organisation for Economic Cooperation and Development (OECD) for the same year, roughly estimated at between $53 billion and $54 billion, which is still low compared to what it was a decade ago, and is definitely too low compared to the need and the estimated targets. The new UNCTAD estimates which indicate a possible substantial decline in foreign direct investment further underline the need for increased ODA. In fact, foreign direct investment tends to benefit the poorest countries only to a very limited degree.

In sub-Saharan Africa, where most of the countries with large numbers of extremely poor people are located, there is also a long-term negative trend in investments. Unless more resources are provided to develop human resources and increase the low investment rates, these countries will continue to be locked into their poverty traps.

One of the main problems in many poor countries is that domestic savings are not channelled into productive investments at home. This deprives the private sector of investment capital and the public sector of much-needed tax revenues. The reason is, of course, that investments in some countries are also seen as very risky by the countries' own citizens. This is especially evident in Africa. In 1990 up to 40 per cent of all African private financial assets were invested outside the continent. Reforms that can bring these and other resources back to Africa are much needed.

This is the purpose, for instance, of the proposal for a multilateral set of investment rules under the World Trade Organization (WTO). Such rules require that all countries accept binding WTO commitments, which would contribute to a more predictable environment for investors. In this context, the principle of equal treatment of foreign and domestic investors is important, and so are simple and transparent national rules, as well as a gradual reduction in protectionist arrangements affecting investments. At the same time, such rules must allow developing countries to develop their own industries.

There is little doubt that countries that have actively integrated into international trade and have put in place more liberal conditions for investments have, in general, seen a larger degree of poverty reduction and, on average, more positive effects on the welfare of their citizens than countries that have failed to implement such policies. On the other hand, we have also witnessed cases of premature liberalization of investment regimes in situations with an absence of adequate national regulatory frameworks and institutions, which can create considerable instabilities and eventually even have negative effects on the world economy in general.

In this respect, sound macroeconomic policies and a well-functioning financial sector under active and qualified public supervision are indispensable factors in securing economic stability and dealing with such serious economic crises. But better global cooperation and regulatory mechanisms must also be put in place, and the existing ones must be made more efficient.

More open world trade with better market access for developing countries and increased direct investment is, in our view, more important for poverty reduction than development assistance, although the poorest countries, which depend on a narrow and price-sensitive range of export goods, cannot do without substantial aid. Protectionism in developed countries costs developing countries at least $100 billion a year — about twice the amount they receive in official development assistance from OECD countries.

This demonstrates that one of the most important contributions developed countries can make to supporting poverty reduction is to open their markets to products from poor developing countries. Technical barriers to trade, in terms of standards, technical regulations and various health and safety requirements, represent a considerable obstacle for exporters from developing countries. Protecting consumer safety without excluding exports from developing countries is a great challenge for all of us. As regards tariffs, developed countries could both walk the extra mile in the international trade negotiations and unilaterally reduce or abolish tariffs on products from developing countries through our Generalized System of Preferences. In this context, I would also like to mention the initiative taken by Norway and the European Union to abolish all tariffs on goods from the least developed countries, the "Everything but arms" initiative.

There is also a need to emphasize the potential that exists for developing countries to reduce their own trade restrictions within the framework of the WTO. In this respect, the next WTO round should explore and take action on the special problems of developing countries in order to develop as fair a set of rules as possible. There is, of course, also a need for assistance to developing countries so as to increase their capacity both to take part in international trade negotiations and to develop national institutions and infrastructure that encourage more trade and product diversification. The developed countries can contribute to this both through the Integrated Framework for Trade-Related and Technical Assistance and through their bilateral development assistance.

The provision of global public goods is both inadequate and vulnerable in the current situation. The countries that benefit most from global integration have a responsibility to assist the more marginalized countries in achieving economic development, which will enable them to contribute towards conserving common natural resources and fighting global crime, as well as securing a well-functioning economic system.

In general, there is a need for more institutionalized cooperation on a global scale, with regard to both the environmental and the economic challenges facing us. These efforts will complement solutions that have been negotiated bilaterally or regionally. Where such global arrangements are already in place, it is important to provide assistance to poor countries so that they can make better use of them.

Inevitably, financial and economic crises will continue to occur in the future. It is very important to prevent such crises from aggravating the situation of the very poor. It will therefore be necessary to establish economic and social safety nets that will secure fundamental needs in crisis situations. Thus, in connection with economic restructuring, it is important to ensure that cuts in public spending do not involve reductions in programmes of special importance for poverty reduction.

The struggle for a better environment and more inclusive trade and investment regimes is bound to be a long one. We must continue to promote the positive aspects of global integration and, equally, intensify our efforts to limit its negative consequences. In this

respect, Norway in principle favours a more binding international framework in terms of institutions that have the responsibility for following up agreements, as well as the mandate and the power to enforce them.

Mr. Valdivieso (Colombia) (*spoke in Spanish*): My delegation would like first of all to congratulate Mr. Han on his election as President of the General Assembly at its fifty-sixth session. We are convinced that under his leadership our discussions on various issues over the next few months will lead to a very positive outcome.

I should also like to join in the universal repudiation of the atrocious terrorist acts perpetrated in this city, in Washington, D.C. and in Pennsylvania on 11 September, and to express to the people and the Government of the United States our heartfelt condolences and solidarity.

While fully supporting the comments made by Iran on behalf of the Group of 77 and China, the delegation of Colombia would like to comment briefly on several points that we believe should be taken into account in this dialogue on the integration of developing countries into the global economy in the new century.

The dialogue that we are holding today — which, unfortunately, could not be held at a high level because of the events of last week — should, first and foremost, be yet another contribution to the preparatory process for the International Conference on Financing for Development, scheduled to take place in March 2002 in Monterrey, Mexico.

One of the main concerns of developing countries, especially middle-income countries such as Colombia, is how to achieve and maintain over time our economic growth goals and our development goals in a demanding international environment characterized by the phenomenon of globalization and interdependence.

In Colombia we have tried to take advantage of the opportunities offered by globalization, modernizing our institutions and opening our economy. We have a hard-working and vigorous private sector; our State is increasingly decentralized; and civil society is participating more than ever before in all areas of national life. For a number of different reasons, however, we have also felt the negative impact of globalization, which, by its very nature, overwhelms and excludes many of us.

We therefore believe that one of the most important objectives to keep in mind throughout our discussion should be finding formulas to ensure that the hard-won accomplishments and progress of some countries are not drastically affected by international economic and financial crises such as those experienced in recent years.

Although it is true that all countries are responsible for their own development, it is no less true that today's interdependence makes us more vulnerable to the actions of others, especially those countries that are large enough to destabilize the global or regional economy. Furthermore, globalization has also exacerbated some of the problems of modern society, including those of illicit drugs, organized crime, money-laundering and terrorism.

Our Government is committed to working steadfastly to deal with such phenomena. Colombian society has made considerable sacrifices and undertaken significant efforts in this respect. Thus, we have the moral authority to invoke the principles of shared responsibility, reciprocity and equity, and we count on the support and participation of all Governments, international financial institutions and United Nations agencies in order to tackle these global problems together. In that context, economic cooperation for development through partnership has an important role to play and should be strengthened in all those areas.

We believe that the United Nations should combat the harmful effects of globalization and foster international cooperation so that the positive impact of globalization can be extended to more regions, nations and peoples. Together with multilateral financial institutions, the United Nations should build a new framework to prevent and overcome economic crises and risks. We need a stable, orderly, transparent, coordinated and predictable financial system under which we can all improve our early warning capacity, effectively control volatility in capital movements and ensure sufficient liquidity to adequately support countries most affected by crises. Another priority is to create social protection safety nets that can be used in times of financial crises.

Developing countries will be able better to integrate ourselves into the global economy when these

conditions are met: when our participation in international financial institutions — the World Bank and the International Monetary Fund — is more equitable; when we are able to take part in the decisions that affect us directly; when the international trade system is truly free, open, rules-based, secure, just, non-discriminatory and transparent; and when development is its basic priority.

Another aspect of great importance in this debate is human and technological development. Globalization and the technological revolution have sped up the pace at which the world works. It is obvious that those who possess and have access to technology today — and in particular to information and communications technologies — have clear competitive advantages that enhance their development process and participation in the global economy. The integration of developing countries into the global economy depends to a great extent to access to technology and technological innovations. Until our countries overcome this problem, and until the digital divide is reduced, we will be competing under very difficult and disadvantaged conditions. It is therefore essential to join forces and channel the necessary resources of economic cooperation in this area to foster the creation of new products and processes through research and development; to encourage the use of ecologically sound technologies for producers and consumers; and to promote human development programmes to improve the quality of education at all levels.

Finally, we believe that the development goals outlined by the international community in recent years are the key objectives of our work, namely, the eradication of poverty, the reduction of infant and maternal mortality, universal education, access to reproductive health services, gender equality and sustainable development, among others. Those goals will be feasible only if we observe the guiding values and principles underlying international relations today. Solidarity, tolerance, shared responsibility, equality, respect for nature and, above all, freedom must prevail so that globalization benefits all of us equally.

Mrs. Jarbussynova (Kazakhstan): Allow me also to join previous speakers in conveying our deepest sympathy and condolences to the people of the United States of America on the tragic events that took place on 11 September this year. We firmly condemn the barbaric acts of terrorism that have taken the lives of thousands of innocent people. Those responsible for organizing these inhuman terrorist attacks against democracy and the free world should be punished for their crimes.

Globalization involves a new level of interaction and interdependence among States. However, along with obvious benefits, globalization entails a danger of lopsided distribution of those benefits. The widening gap between developed and developing countries is a burning issue. In fact, that gap is getting bigger. Debates are under way as to the forms of involvement of both groups of countries in the process of globalization, particularly from the point of view of solving the problems faced by developing countries. In our view, it is very important to strengthen normative, legislative and organizational frameworks in order to ensure the stability and predictability of the world economy.

The process of shaping the international trade system has made an unprecedented contribution to international economic growth. At the same time, despite the progress achieved in the development of international trading relations, direct and indirect tariff barriers continue to be maintained. Those barriers affect a considerable number of goods, some of which are important export items for developing countries. In that connection, there is — in our view — a need for further multilateral efforts. This should be done under United Nations auspices and include the continuation of dialogue between participants in trade relations and the United Nations agencies, the Bretton Woods institutions and the World Trade Organization (WTO) so as to ensure further liberalization in the sphere of international trade and increase technical assistance to developing countries.

Today, the situation with regard to the future of the World Trade Organization provides a good example of the differences in appraising the globalization phenomenon. Kazakhstan is actively preparing to join the Organization. Steps are being taken to bring our national legislation in the foreign trade sphere into line with WTO principles and rules. The WTO, uniting some 140 States, must now be thoroughly reformed in order to really liberalize and democratize trade relations. It should not be a controlling and selectively discriminating body of world trade policy.

The Bretton Woods institutions also have to be reformed. We believe that the most important goals of the reform of the Bretton Woods institutions are to

ensure their openness, democratization, competence and adequacy, and to improve cooperation with the United Nations. We share the criticism of the International Monetary Fund (IMF) with regard to its arm-twisting policy when loans are conditioned on many political factors that have nothing to do with the actual economic situation. In the context of the role of the Bretton Woods institutions in the world economy, I would like to mention the issue of integrating the economies in transition into the world economy. The role and importance of that group of countries, including Kazakhstan, in the world economy and politics is growing.

In the second half of 1999, Kazakhstan's economy began to recover from the recession caused by the weak world commodity markets that emerged in August 1998. Gross domestic product (GDP) growth accelerated to 11 per cent in the year 2000 and the first three months of 2001 because of growing domestic consumption, strong exports and the economic recovery in Russia. Today, in circumstances of increased competition in world energy markets, Kazakhstan is paying priority attention to the construction of oil and gas pipelines. The northern Caspian Pipeline Consortium project has been successfully completed. Kazakhstan will be able to double, at a minimum, both its oil production and its export deliveries to foreign markets. We also pin many of our hopes on the development of hydrocarbon resources on the Caspian Sea shelf. For that reason, we believe that the issue of the legal status of that sea is of fundamental importance.

Kazakhstan highly appreciates United Nations efforts to promote the integration of economies in transition into the world economy and counts on continued cooperation with the United Nations in the sphere of consultative services and technical assistance. We appreciate United Nations support for strengthening economic cooperation in the Central Asian region, which is vital to expanding trade, attracting investment, promoting competitive enterprise and improving employment and income prospects. The remoteness and small size of the majority of the domestic markets in the region underscores the particular importance of developing regional markets and promoting inter-regional trade and development.

We believe that, through trade and specialization, the economic pie will grow to the mutual benefit of all countries. Growing prosperity will offer new opportunities to the people of the region. Foreign investors will be attracted by an improved investment climate and better business prospects. Economic cooperation will also contribute to regional stability, which will in turn enhance the trade and investment environment. Ultimately, economic cooperation, together with national development programmes, will serve the greater goal of achieving sustainable economic growth and raising living standards in the region. Countries in the region recognize the importance of reducing policy and regulatory impediments to the cross-border movement of goods and services. They also see the need to address transportation, telecommunications and other infrastructure weaknesses that limit the development of regional markets and inter-regional trade.

Kazakhstan continues to give priority attention to the development of the transit transportation system in Central Asian States and neighbouring developing countries. We think it is important to actively pursue the improvement of existing programmes and the development of new programmes designed to raise the efficiency of the present transit system in Central Asia. Our landlocked country and the region as a whole should have secure, multiple points of access to the world market. It is a matter of strengthening our sovereignty and independence.

The United Nations Economic Commission for Europe (ECE) and the Economic and Social Commission for Asia and the Pacific (ESCAP) have devised a joint special programme for the economies of Central Asia, encompassing all priority issues facing the region, namely, the development of transit capacity and multiple pipeline systems, the management of energy and water resources, environmental protection and technological growth. Such a comprehensive approach promotes better regional cooperation in Central Asia and the integration of its considerable potential into the world economy. It serves common interests. We urge the international donor community to actively contribute to the programme and to promote the economic and democratic growth of Kazakhstan and other newly independent States in Central Asia.

Globalization emphasizes the integrated nature of contemporary world processes. We are convinced that, in the conditions of a mutually interdependent world, no problem can be approached solely from the standpoint of the interests of any one State. In view of the importance of these processes, we support

international efforts aimed at ensuring progress, well-being and security for all, and we welcome the leading role of the United Nations in solving the problems we are considering.

Mr. Aliyev (Azerbaijan): At the outset, our delegation wishes to express its deepest condolences to the United States delegation, to the people and Government of the United States of America and to the families of the innocent victims of the unprecedented acts of terrorism in New York and Washington, D.C. We share their pain and grieve deeply with them.

Globalization is a complex and multifaceted process that has political, financial, economic, technological, humanitarian, cultural, educational and other dimensions. Developing countries and countries with economies in transition are interested in the prospects offered by this phenomenon, which, along with the visible positive aspects and opportunities for faster development of their economies, also contain some risks of their marginalization, as well as other possible risks.

Today, there is no clear-cut vision of how that process will go. There is an understanding that globalization should lead to the free transboundary movement of financial and economic resources. Along with the necessity of strengthening the banking systems of developing countries and countries with economies in transition and developing their stock markets, globalization also requires unification of the appropriate aspects of national laws, inter alia through the elaboration and conclusion of multilateral agreements. The adoption of such agreements would facilitate smoother integration of the developing countries and countries with economies in transition into the globalizing world economy. We believe that international organizations, including those of the United Nations system, are the most appropriate place to address those issues. In that context, we welcome the work of the World Intellectual Property Organization (WIPO) on the preparation of two major Internet treaties, which are expected to enter into force before December 2001, and on the adjustment of the international legislative framework to facilitate e-commerce.

Globalization is not an overwhelming, ever-spreading, unmanageable process. It has many streams and aspects that can, and should, be managed in order to facilitate the positive development of globalization. These streams of globalization can change their original direction, or even be reversed, when they encounter obstacles, such as military conflicts, international terrorism, and large-scale natural and man-made calamities, thereby leaving certain countries cut off from the mainstream of globalization.

Despite the Armenian aggression and its severe consequences, the Republic of Azerbaijan strives to contribute to the positive development of globalization by actively participating in global, intra-regional and regional cooperation initiatives. Azerbaijan is a member of a number of regional organizations and initiatives, such as the Black Sea Economic Cooperation (BSEC), the Economic Cooperation Organization (ECO), the Commonwealth of Independent States (CIS), the Georgia, Uzbekistan, Ukraine, Azerbaijan and Moldova Group (GUUAM), the Eurasian transportation corridor TRASECA, and so on.

For reliable and safe transportation of the increasing amount of oil recovered from the national sector of the Caspian Sea, my country uses alternative routes of export pipelines. The sponsor group for the construction of the main export pipeline was established in October 2000.

It is well known that information and communication technologies (ICTs) are the driving force of globalization. The lack of modern ICT is one of the obstacles confronting many countries with developing economies and economies in transition attempting to effectively integrate into the globalizing world economy. The digital gap between them and developed countries is widening, which hampers the process of globalization and leads to the marginalization of the developing countries. To bridge that gap developing countries and countries with economies in transition need ICT transfers and technical and other forms of assistance from the developed countries and relevant international organizations. In this respect, it is vitally important that developed partners increase their contributions to official development assistance (ODA) in order to reach 0.7 per cent of their respective gross national products and reverse the declining flows of ODA to the countries of the South.

Our delegation believes that the process of globalization has to contribute to the sustainable development of countries, to the integrity and stability

of their systems of governance, to the elimination of discrimination in economic relations and to enhancement of the welfare of their peoples.

In October 2000, the sponsor group for the construction of the main Baku-Tbilisi-Ceyhan export pipeline was established. That pipeline would complement two other already operational oil pipelines. Additionally, the Government is conducting consultations on the construction of the Baku-Tbilisi-Erzurum gas pipeline, for the export of large volumes of recovered natural gas.

Like all other members of the group of landlocked developing countries, Azerbaijan suffers from the lack of territorial access to the open sea, remoteness from major international markets and higher transportation costs that inhibit the development of international trade. In order to solve these problems, the Government, in cooperation with the European Commission, conducted in September 1998 in Baku the high-level International Conference on the Restoration of the Historic Silk Route, during which the Basic Multilateral Agreement on International Transport for Development of the Europe-Caucasus-Asia Corridor was signed. This Corridor has connected the participating countries of both continents. The International Secretariat of the Great Silk Route has already started functioning in Baku. There are also ideas on the creation of a Europe-Caucasus-Asia cultural corridor, which will be thoroughly discussed during the United Nations Educational, Scientific and Cultural Organization seminar on culture and tourism to be held in Baku at the end of this year.

The implementation of these projects will contribute to the economic development of the participating countries, strengthen economic cooperation between countries of the two continents and facilitate the realization of other related projects.

In conclusion, I would like to mention that we are approaching three major international events: the Ministerial Meeting of the World Trade Organization in Doha, Qatar; the International Conference on Financing for Development in Monterrey, Mexico; and the World Summit on Sustainable Development in Johannesburg, South Africa. The outcomes of these events will have a direct impact on the development of globalization, determining for years ahead its further spread and evolution. I would like to express our delegation's confidence that the concerted efforts of all partners from the North and the South will allow us to cope with the emerging global challenges and threats in this century and to further progress and prosperity on our planet.

Mr. Pradhan (Bhutan): Since this is the first time my delegation is taking the floor at the fifty-sixth session of the General Assembly, allow me to express the deepest and heartfelt condolences of His Majesty the King, the Government and the people of Bhutan to the Government and the people of the United States of America on the valuable lives lost and the tremendous damage done to property by the heinous acts of terrorism launched on 11 September in New York and Washington, D.C. Bhutan vehemently condemns these inhuman acts and declared a day of mourning the next day. In Bhutan, we held a national prayer event at which our King, members of the royal family, cabinet ministers, officials and representatives of civil society, including United States citizens in the country, gathered together in a prayer session for all those who lost their lives or their near and dear ones.

For those of us who represent our countries here in New York, this is also our city. We are equally affected by this crime and we have all lost and suffered in some way or the other.

Bhutan has always strongly denounced the use of terrorism for the achievement of political or other goals. In its wake, terrorism brings death, the injury of the innocent and a disruption of normality within societies, and gives rise to cries for counteraction and revenge. In other words, hatred and violence simply breed hatred and violence. Terrorism has to be rooted out wherever it surfaces. Otherwise, our efforts here in the international community to better the lot of human society by wiping out poverty, fighting against diseases like HIV/AIDS and bringing the benefits of development through globalization will remain a path full of obstacles.

In these most difficult of times, we are happy to see a person of Mr. Han's high calibre, wisdom and experience presiding over the work of the General Assembly. My delegation warmly congratulates him on his unanimous election and will cooperate with him in every way possible. The Republic of Korea represents a people that are one of today's greatest examples of how poverty and underdevelopment can be overcome despite heavy odds.

I would also like to take this opportunity to thank his predecessor, Mr. Harri Holkeri of Finland, on the achievements of the last session and the great personal efforts he made to make the work of the General Assembly more efficient.

While discussing the issue of integrating the developing countries into the global economy, we have to ensure that the process is equitable and beneficial to them. We have to take the right and sequential steps that are essential to attaining such an objective. Developing countries themselves are at different stages of development or are differently endowed with natural resources or other economic advantages. In this context we have the least developed, the landlocked and the small island developing countries, and the economies in transition. Among the developing nations, there are those that face the debilitating impact of HIV/AIDS, malaria and intense and widespread poverty, and some of them must confront recurring natural disasters, including man-made calamities.

From all our work thus far, the fundamental conclusion that we have come to is that, if the international community is at all to achieve the targets and objectives that it has set, it must address the question of resources. Overcoming the disadvantages of geography; eliminating degrading and abject poverty; winning the war against HIV/AIDS and other serious diseases; and bringing basic health care and education to those who do not have them are the issues which need to be tackled with the highest priority. In most cases, without resources from the international community, these will be goals that may remain in the realm of the impossible.

In conclusion, while acknowledging the inequities arising from the digital divide, our priorities should be clear. We must bear in mind the difference between what are means to an end and not confuse means as ends in themselves. We must be aware of the undue proliferation of activities, especially in view of the resource constraints in the United Nations. Finally, my delegation hopes that our work on the agenda item being considered will be truly meaningful in taking the developing countries, on the basis of justice and equity, into the global economy of the twenty-first century.

Mr. Wibisono (Indonesia): Before I begin, let me express the sincere sympathy and condolences of my Government and the people of the Republic of Indonesia to the victims of the tragedy that struck this city and nation on 11 September, as well as to their families and friends. They are in our thoughts and prayers. We must also express our deep admiration and respect for the valiant efforts of the police, firefighters, emergency workers and all engaged in the tremendous task of rescue and recovery.

In the aftermath of the horrendous terror attack and the tremendous loss suffered by our host city, New York, and our host country, it is now crystal-clear what confrontation and international terrorism can lead to. Such heinous acts cannot be tolerated. They also partly reflect a severe breakdown in communication and dialogue. We have witnessed over the past week in New York and Washington, I believe, the enormous cost of such a breakdown. Thus, we are convinced that there can be no alternative to coming together to combat terrorism and to engage in sincere and genuine dialogue among all Member States. We must generate inclusive dialogue and solidarity in the face of terror, and we must seriously address the causes that continue to foment it. I strongly believe that part and parcel of a comprehensive approach must be to seek ways and means of stamping out poverty, imbalances and inequality as best we can, since these often represent the virulent breeding grounds that produce extreme and fanatical reactions resulting in devastating consequences. It is for those reasons that we must resolve to strengthen communication and dialogue among all Member States.

Before addressing the issue before us, let me congratulate Ambassador Han Seung-Soo on his well-deserved election to preside over the General Assembly at its fifty-sixth session. Let me also associate myself with the statement of the Chairman of the Group of 77 and China.

Three years ago this month, the General Assembly held its first high-level renewal of the dialogue on strengthening international economic cooperation for development. The outcome of the two-day deliberations at that time produced several important conclusions. We must build upon them rather than repeating them. To single out a few of the conclusions of that meeting, globalization was considered an irreversible process, and therefore had to be carefully managed. The outcome also emphasized that action was necessary on a global scale involving the world's leading economies and multilateral institutions. Inclusiveness and participation were imperative to promote a global civic ethic to shape the

rules that would ensure that globalization benefited all, including those currently marginalized. Therefore, the dialogue must explore ways to ensure complementarity and the creation of synergy among the various forms of cooperation at the bilateral, regional, inter-regional and multilateral levels, involving not only Governments but also all relevant parts of the United Nations system and other stakeholders. I hope and trust that our discussions over these couple of days will build upon those conclusions and will move forward.

The purpose of the overall theme of this year's renewal of the dialogue is to respond to globalization and to facilitate the integration of developing countries into the world economy. The dialogue should be seen as part and parcel of the broader intergovernmental process of major United Nations conferences and summits, especially the Millennium Summit, and of the regular work of intergovernmental bodies, especially that of the Second and Third Committees of the General Assembly and that of the Economic and Social Council.

All countries, developed and developing alike, are seeking how best to increase the integration of their economies into the global economy and to glean benefits from it. But the process is heavily laden with risks as well as opportunities. Free-market forces have increasingly become the arbiter of economic policy-making at the global and national levels. Competitive markets have replaced international cooperation as the driving force of growth and development. In consequence, we have widening economic gaps and a digital divide, which result in poverty, underdevelopment and instability. Effectively addressing these worsening phenomena is our critical collective responsibility, and we must start through genuine dialogue.

Despite important initiatives undertaken by the international community, such as the major United Nations conferences of the early 1990s and the launching of an Agenda for Development, multilateral cooperation for development has continued to retreat. Therefore, we strongly believe that there can be no viable alternative to the renewal of the dialogue so as to revitalize international cooperation for development through a constructive North-South dialogue. The key development issues for such negotiations include trade, finance, debt and technology, including information and communications technology (ICT), which should be negotiated on the basis of mutuality of interests and benefits, shared responsibility and genuine interdependence.

As to the two sub-themes for this dialogue, on generating new public and private financing resources and on facilitating access to ICT for developing countries, we strongly supported their selection for our deliberations at this high-level meeting. We did so since we consider them pivotal both to effectively promoting development and to enhancing the integration of the developing countries into the global economy. What action we must take on these themes is now an imperative question.

As to the financing issue, we must seek ways and means to mobilize the private sector both at the domestic level and in the international arena. We must call for international assistance to help us adopt policy measures and strategies that make our countries attractive and conducive to private financial flows and investment. With regard to ICT, we must ensure that the United Nations ICT Task Force will explore, by every means at its disposal, significantly improving accessibility and connectivity for people, including the rural poor, and especially small and medium enterprises. To do so, we must ensure that the requisite infrastructure, such as telephone wires, telephone systems and community centre Internet access, are in place.

This second high-level dialogue should also benefit from the Millennium Summit. The Summit forged agreement on and prioritized a number of fundamental values seen as essential to international economic relations as we journey into the twenty-first century. Those values are also of importance for facilitating the integration of the developing countries into the globalized world economy. Prime among such values is that of shared responsibility. That is, as stressed by the Millennium Declaration, responsibility for managing worldwide economic and social development must be shared among the nations of the world and should be exercised multilaterally. One of the key objectives identified to translate that shared value into action and to promote the core issues of development was the need for good governance both at the national and the international levels.

While the developing countries recognize their primary responsibility for promoting their own economic growth and sustainable development, they are also very much aware that in an era of globalization

they cannot go it alone. They need international assistance and a conducive external environment supportive of development. That must be achieved through genuine dialogue and international cooperation on the basis of mutual interests and benefits, shared responsibilities and partnership. That is a winning recipe. In addition, Governments recognize that they cannot deliver without the cooperation of key actors in the global economy, such as the private sector and civil society. This, too, is the essence of shared responsibility, better global understanding and international economic cooperation.

In meeting the challenge of globalization and in seeking to revitalize the spirit of renewal of the dialogue, we see no better framework than that of the United Nations, an organization whose unique characteristics of universality, neutrality and multilateralism are best suited for benefiting and facilitating all mankind. We are therefore committed to continue strengthening the Organization's role for the promotion of international cooperation for development and as humankind's best hope for realizing our universal aspirations for peace, cooperation and development. The United Nations can do that by promoting a broad vision of human development, particularly in the primary areas of greater policy coordination and by helping to build human and institutional capacity, including the mobilization of information and communications technologies. By doing so, the integration of the developing countries into the new global economy and their sharing in both its benefits and responsibilities should be facilitated. Only in this way do I see the possibility of halting and reversing the widening economic gap and the digital divide, and thereby promoting development, eradicating poverty and increasing stability for all.

Mr. Sychov (Belarus) (*spoke in Russian*): The delegation of the Republic of Belarus shares the view of those who have spoken in this Hall who believe that the recent events in New York and Washington are a universal tragedy and a challenge to the international community of nations. We express our deep condolences to the American people and to the loved ones of those who suffered as a result of these terrorist attacks. Today, when terrorism has become global, we need to pool our efforts to eradicate this evil at the national and international levels.

In terms of addressing issues of strengthening international economic cooperation for development based on partnership, let me express the satisfaction of the delegation of the Republic of Belarus that we have convened today's meeting. We view this event as an important additional impetus in considering economic issues on the agenda of the fifty-sixth session of the General Assembly. Moreover, in our view, this high-level dialogue should provide considerable input in preparing the World Trade Organization (WTO) Ministerial Conference, to be held in November in Qatar; the International Conference on Financing for Development, to be held in Mexico; and the World Summit on Sustainable Development, to be held in South Africa in 2002.

Today it has already become axiomatic to say that the achievement of the development goals that have been agreed in the final documents of major conferences and high-level meetings within the United Nations is unthinkable without forging a new consensus on the foundations and principles of international economic cooperation. An early establishment of this kind of consensus is not just an abstract imperative. It is vital for the more than one fifth of the Earth's population who continue to live in abject poverty, primarily in the developing nations.

At this juncture, I believe that we can, with a certain degree of satisfaction, note that there is a gradual movement within the international community in this direction. In this regard, our delegation would like to offer a positive assessment of the current status of the negotiating process in preparing for the International Conference on Financing for Development, which has already become a successful example of establishing true partnership relationships between the Governments, the United Nations system and bodies, the Bretton Woods institutions, the private sector and civil society. The Republic of Belarus hopes that this process will continue to maintain its positive dynamic and will lead to practical results in addressing the most urgent issues involving key issues of mobilizing additional financial resources for development.

In this context, as a singular example of the scope and importance of the issues before us, I would like to mention the assessment contained in the report of the Cedelio Group, according to which simply meeting the obligations in the Uruguay Round of multilateral trade talks could provide the additional benefit to developing

countries of about US$ 130 billion annually. Clearly, even partially addressing this issue for developing countries could ensure mobilizing an additional US$ 50 billion per year, which, according to assessments of that same Group, is essential for financing development goals for 2015. Our delegation hopes that the international community will be able to at least begin practical discussion of these problems during the upcoming WTO ministerial conference in Doha. Many already pin hopes on this as a "development round".

In this context, I would particularly like to note that the Republic of Belarus has already undertaken a number of specific steps to meet the interests of developing countries within the framework of access to markets, and today more than 100 developing nations enjoy preferential regimes in trade with our country.

Expanding the framework of the use of information and communication technologies has become one of the key factors in effectively achieving development goals and in the effective integration of nations into the global economic system. In this context, the delegation of the Republic of Belarus welcomes the establishment of an Information and Communication Technologies Task Force, which is extremely promising in terms of its place within the United Nations system and is an encouraging attempt to establish a mechanism for practical partnership between Governments, organs of the United Nations system and the private sector. We hope that this Task Force, acting in strict compliance with the mandate of the ministerial declaration of the 2000 high-level meeting of the Economic and Social Council is equal to the tasks set before it in order to reverse and end the dangerous process of a widening so-called digital divide, the costs of which are particularly felt by the developing nations.

I believe that no one would doubt that tangible progress in this area could bring developing countries closer in real terms to achieving their goals in their sustainable development.

Mr. Adam (Israel): At the outset, through you, Sir, my delegation wishes to congratulate the President of the fifty-sixth session of the General Assembly on his election and to thank the Secretariat for preparing this important dialogue.

Israel is pleased to be participating in this high-level dialogue on strengthening international economic cooperation for development. As we enter the twenty-first century, we confront a world with tremendous possibility, but also a world fraught with danger. The world has drawn closer in many ways, thanks to the emergence of global networks for finance and information, as well as the technological innovations that have made them possible. But as we also know, this world also presents us with new threats and growing challenges.

At this high-level dialogue we have gathered to address one such challenge, that of integrating developing countries into these global frameworks and bridging the digital divide. In both respects, Israel possesses a great deal of know-how and expertise, which it has been sharing with countries around the world for more than 40 years.

While dealing with its own digital divide, Israel recently reached out to share its experience with the United Nations Information and Communication Technologies Task Force in the Department of Economic and Social Affairs, and is looking forward to fruitful cooperation in this regard. Israel shares the view that the Task Force should be provided with adequate financial resources and commends the work is has done so far.

Through the Centre for International Cooperation, also known as MASHAV, Israel has shared the knowledge and development experience it has acquired over 53 years of statehood, with over 175,000 trainees from 140 countries around the world.

As our own development expertise has grown, and as our partnership with the private sector and civil society in Israel has expanded, the range of courses offered by MASHAV has also grown, covering areas as diverse as irrigation, desert agriculture, water management, early childhood education, community development, emergency and disaster medicine and many others. In recent years, Israel has also shared the expertise developed in its cutting-edge technology sector.

In the wake of the Third United Nations Conference on Least Developed Countries, MASHAV has been able to implement a multinational development effort focused on improving agricultural practices and stabilizing the supply of food in Africa. The vicious cycle of war and displacement has jeopardized the supply of basic provisions of life in numerous regions of the continent. In the last two decades, MASHAV has established a number of

projects in Africa designed to demonstrate new technologies for diversifying crop production, primarily through the more efficient use of water and irrigation systems. With the cooperation of the United Nations, these projects can be expanded and thereby bring subsistence communities out of the precarious state in which they are now entrenched.

Although the available tools for development have expanded over the past 50 years, Israel remains committed to the same principles that have enabled us to achieve a rapid rate of sustainable development over many years. By maintaining our focus on bottom-up solutions, human capacity-building and cooperative arrangements with other organizations, Israel will remain committed to helping other emerging nations develop their resources and successfully integrate themselves with the rest of the world.

In this regard, we congratulate both the Secretary-General and certain United Nations funds and agencies for launching new and innovative programmes, as well as task forces composed of public and private partnerships, which are essential for ensuring that globalization serves to promote sustainable development.

If ever an event could demonstrate the urgent need to alleviate poverty and provide greater economic opportunity for a greater number of people, it was the tragedy we all experienced here in New York less than 10 days ago. Once the time for mourning has passed and the long process of healing begun, the world will face, amid numerous other challenges, the need to work for the alleviation of conditions that drive individuals to commit extraordinary acts of evil.

I should like to express, on behalf of the Government and people of Israel, our most profound condolences and sympathy to the Government and the people of the United States of America and to the friends and families of the victims of those horrendous and tragic terrorist acts.

In this regard, it should be remembered that the Agenda for Development, as adopted by the General Assembly, has a broader objective than mere economic advancement, important as that is. The Agenda is meant to foster greater understanding of emerging global issues and to promote the international cooperation necessary to address them. While it would be a far more gratifying task to direct our energies exclusively to providing greater economic opportunity for all, the challenge of combating terrorism has been thrust upon us in the most catastrophic way imaginable. This is a battle which we no longer have the luxury of avoiding.

Mr. Kafando (Burkina Faso) (*spoke in French*): I should like first of all, on behalf of my country, to congratulate Mr. Han on his election to preside over the General Assembly and assure him of the full cooperation of my delegation. I would also like to congratulate the other members of the Bureau, whose valuable assistance and steadfast contribution will help to make our deliberations a success.

As our meeting is taking place in the shadow of the sad events that have plunged into mourning not only our host country, but also many other States Members of the United Nations, I should like to convey to them the compassion of the Government of Burkina Faso.

It is not merely for reasons of tradition that the General Assembly has decided to hold another high-level dialogue on the strengthening of international economic cooperation for development through partnership. The holding of this second dialogue has proved necessary in particular because development is now the major concern and preoccupation of States in an environment that is essentially dominated by globalization. This is borne out by the general theme of this debate, which focuses on the integration of developing countries into the global economy of the twenty-first century.

In this regard, much has been said and a number of commitments have been undertaken. One after the other, the multilateral institutions, including the World Bank, the International Monetary Fund and the regional development banks, have adopted development policies aimed at promoting the integration of developing countries into the world economy. It now remains to accelerate this process.

While the developed countries — in particular the members of the G-8, at their annual summit meetings — are placing increasing emphasis on development issues, the decisions that they take in this regard should not remain mere wishful thinking but should have clear and quantifiable targets capable of freeing the world from poverty.

In this regard, the International Conference on Financing for Development, scheduled to take place

next year in Mexico, should provide an opportunity to consider the best means of mobilizing the necessary resources to complement development efforts in the disadvantaged countries. Financing for development will enable the development partners to reform and improve the effectiveness of official development assistance and create favourable conditions for increasing private investment in developing countries.

In this regard, it is vital for the donors to undertake to coordinate their efforts; direct their programmes to the poorest countries; de-link assistance; and harmonize and simplify the procedures and mechanisms that limit the effectiveness of development assistance.

For its part, the Government of Burkina Faso is working to bring about robust long-term economic growth. To that end, it has set a mean growth-rate target of 7 per cent to 8 per cent per year for 2000-2004, based essentially on the activities of the private sector. This will require the establishment of a favourable environment for private investment, particularly through the pursuit of a policy of liberalizing the economy and stepping up reforms aimed at creating a safe and stable legal framework for private investment.

As is well known, new information- and communications-related technology is one of the foundations of globalization. This subject cannot be discussed without acknowledging the paradox that the rate at which the development gap between developed and developing nations is widening is keeping pace with the very technical and technological progress that is supposed to bring nations and peoples together and create wealth for all.

Today, in the developing countries, and in Africa in particular, information technology remains a luxury — indeed, a prestigious commodity reserved for the affluent. Our public administration and our private sector lack the means to acquire the necessary technological tools and to train competent personnel to meet the development challenges.

So how is a country like Burkina Faso, along with all the other neglected countries, to benefit from the positive effects of these new technologies and to reduce the gap between them and the developed countries? Part of the answer could come from the new Information and Communication Technology (ICT) Task Force, whose creation was recommended by the Economic and Social Council. We very much hope that it will allow consideration of new formulas for partnership in this area that could help solve development problems.

In pursuing its own modest efforts, Burkina Faso produced in 1999 a plan for developing a national information and communication infrastructure for the period 2000 to 2004, in order to provide radio and television coverage of the entire national territory and establish an Internet network, which would eventually serve all the provinces.

Promoting the integration of developing nations into the global economy and increasing developing nations' involvement in the global information network are the two key objectives of the international community in assisting developing countries. I greatly hope that these meetings will help strengthen the dialogue among all the development actors and partners.

In this regard, the United Nations should use the impetus from the Millennium Summit to channel efforts to promote the integration of developing countries into the global economy.

We must also encourage the good cooperation and dialogue which have existed for some time between the United Nations institutions and the Bretton Woods institutions, for ultimately the efforts of the multilateral organizations will be successful only if they are supported by the political commitment of the member States, particularly the donor countries.

In this respect, we welcome the invaluable assistance of friendly countries to Burkina Faso in its fight against poverty.

Mr. Šimonović (Croatia): At the outset I would like to convey on behalf of the people and the Government of the Republic of Croatia our heartfelt condolences to the families and friends of all the innocent victims who died in last week's terrorist attacks. These tragic events serve as a painful reminder to us all of the imperative need for the international community to take realistic and comprehensive steps towards suppressing and eliminating terrorism of every kind. My delegation therefore welcomes the timeliness of the President's announcement today that priority will be given to the General Assembly's substantial consideration of this issue by holding the plenary debate as soon as 1 October.

My delegation welcomes the high-level dialogue on strengthening international cooperation for development through partnership and the opportunity to address the General Assembly on this important agenda item concerning ways to facilitate the integration of developing countries into the world economy in the face of globalization in the twenty-first century. The dynamic nature of the international economy continues to impinge upon the living conditions of people all over the world. The fact that the disparity between the rich and the poor is still growing should be a primary cause for international concern. With the first anniversary of the Millennium Declaration upon us, a Declaration embracing the historic promises made by world leaders, especially in the area of development and poverty eradication, it is timely for us to revisit and re-examine the notion of a comprehensive strategy for sustainable development through international economic integration and partnership.

Many of us have very specific ideas about the effects of globalization. The problem is that many of these ideas are widely divergent. Despite all the connotations that can be read into globalization, with the benefit of hindsight, it is clear that globalization is unavoidable. Indeed, its impact on issues with which the United Nations has grappled since its inception — namely, poverty and development — has been very mixed. In our endeavours to manage globalization, we all agree that the overriding task for us now is to promote a broader and deeper understanding of the global and transboundary nature of this issue, as well as to enhance international economic cooperation for development as one of the primary instruments to tackle its consequences. However, the means to achieve this must be reviewed in the context of both current and evolving challenges. Indeed, these challenges could easily be exacerbated by the recent, totally unpredicted events which we witnessed last week, and which could create new instability in the world economy, with serious implications for developing countries. The character of the current situation, now more than ever, warrants a more detailed and intensive debate on the agenda before us.

In response to globalization, addressing the question of integrating developing countries into the world economy has inevitably brought about stronger interlinkages between the work of various bodies in the United Nations. Although much has been achieved at the United Nations in the last decade in the direction of coping with and shaping globalization, deepened cooperation with other international and regional organizations needs to be enhanced in a non-hierarchical way.

Given the evolving regional perspectives in this debate, and given innovative regional mechanisms and newly created regional institutions, as well as the strengthening of existing ones, we should not overlook the vital role those mechanisms and institutions have to play. Globalization has contributed to the choice of political priorities of many countries with economies in transition, by making accession to the various regional organizations dealing with economic, trade, security and political issues a top priority, in the knowledge that the contrary would ultimately lead to marginalization. Needless to say, the fragility of Western economic forecasts, highlighted by developments over the last six months, will adversely affect the prospects for economic growth in the Central and Eastern European economies. Furthermore, from the integration perspective, a slowdown in Western European markets poses serious risks for the prospects of European Union enlargement for the region as a whole.

Notwithstanding this, the institutional capacities and universal nature of the United Nations ultimately lend themselves to the United Nations having a pivotal role in building the necessary international consensus for reforms needed for a strengthened and stable international financial system. In particular, allow me to highlight the importance my delegation attaches to hammering out a more prominent role for the Economic and Social Council in the field of sustainable development and economic cooperation.

The Republic of Croatia will continue to support and promote reforms, which encompass dialogue between the Economic and Social Council, the Bretton Woods institutions and the World Trade Organization (WTO), and improving their outreach to civil society, including the private sector. This will call for an enormous effort in order to consolidate further a global agenda for a strengthened and stable international financial system that is responsive to the priorities of growth and development in an equitable social and economic manner.

Moreover, the functional Commissions of the Economic and Social Council that deal with economic, social and environmental issues should be important

actors in promoting policy coherence and enhancing the integration of developing countries in emerging global information networks through the promotion of information and communication technologies (ICT). The recent establishment of an ICT Task Force is welcome. Through this body, the United Nations has a unique opportunity to play a catalytic role in the promotion of public awareness of ICT for development, which it should take up without further delay.

Through these joint efforts of global cooperation, exchange and integration and by creating new opportunities for partnerships in the fields of trade, investment, finance, knowledge and technology, the negative effects of globalization can be curbed and transformed into a positive force for all people. At the same time, we must not forget that, fundamentally, the ultimate policy choices lie within States, however difficult those choices may be.

My delegation looks forward to the findings of the joint panel discussions and roundtables during this high-level dialogue. It is the hope of my delegation that the final outcome will provide substantial inputs that will not only build on existing achievements to date but also yield important practical and action-oriented ideas that can be comprehensively utilized in our ongoing process of financing for development and in the work of the Economic and Social Council in its endeavours to bridge the digital divide.

Mr. Listre (Argentina) (*spoke in Spanish*): Allow me to begin by congratulating the President on being elected to preside over our discussions, since this is the first time I have spoken at this session, and to say that you can count on the cooperation of my delegation to help ensure the success of your tenure.

I would also like to take this opportunity to express the profound sadness of the Government and people of my country after the terrorist acts that occurred in the United States of America this past 11 September. We feel particular solidarity with the families of the victims and with the people and Government of the United States of America. We join other peace- and freedom-loving nations in confronting this brutal threat that affects all humanity.

The Argentinian delegation is participating in this high-level dialogue with particular interest because we feel that it provides an excellent opportunity to share our country's position on the current challenges that globalization presents to our developing world. We support this and other initiatives being taken because we hope that the United Nations can play a decisive role in economic and social areas in the coming years by helping developing countries integrate into the world economy and by enabling them to overcome the current conditions of delayed development and poverty and to further their economic and human development.

My country has been endeavouring to achieve sustained economic growth and to overcome the period of recession that began in our country three years ago. This period has been the result of various domestic and international factors, including, of course, the impact of the successive international financial crises that affected several national economies during the decade of the 90s.

We are fully aware that the main responsibility for our development falls to us alone and to our ability to create the conditions of political stability, the rule of law and sufficiently responsible and sober management of public finances, which would limit unproductive government spending, particularly in the civil service, fight administrative corruption and further the campaign against tax evasion. These policies have been carried out consistently in Argentina in recent years, culminating in the recent measure of a zero deficit law, which prevents the State from further borrowing or from spending more than its revenues in order to eliminate any doubt about the sustainability of our fiscal policies with respect to the markets.

As is obvious, the implementation of this policy requires an extraordinary effort from the Argentinean public. However, we are thoroughly convinced that this is the necessary foundation for returning to the road to growth and creating a climate conducive to attracting investment.

It is obvious, however, that, within the framework of globalization we are experiencing, national efforts are not enough if countries face difficulties in trade, which is a vital component for the global integration of developing countries and which naturally plays a decisive role in those countries' development.

The persistence of barriers to the access to the markets of developed countries, in the form of the tariffs, quotas and subsidies for domestic production and exports that exist in those countries, have systematically frustrated the trade opportunities of the

developing world and aggravated the economic difficulties affecting the lives of the population.

As was recently stated by the leaders of the Cairns Group, an association of countries with the principal goal of reducing agricultural protectionism, the total assistance to producers in the most developed countries has increased, and we find ourselves in a situation similar to that of 1986, as some markets continue to be highly protected. These distortions in trade and in production are clearly discriminatory since they create asymmetrical trade rules that especially hurt countries that cannot compete with the national treasuries of the rich countries.

The liberalization of international markets for the competitive products of the developing countries and, in my country's case, the liberalization of agricultural markets are not merely an issue of a purely trade character, but a central part of our overall development strategy.

In the discussions that will take place in the Fourth Ministerial Conference of the World Trade Organization at Doha, Qatar, next November this problem should not be neglected, and we will focus our action there on the convening of a multilateral round that will necessarily include examination of the agricultural issue, with a specific agenda. That will be our condition for accepting the initiation of a new round of trade negotiations within the framework of the World Trade Organization.

The United Nations has rapidly reacted to these challenges in the economic and social domains. Proof of this is the convening of an international conference on financing for development, to be held next March in Monterey, Mexico. Both the work of the Preparatory Committee and the excellent report by the high-level group headed by the former President of Mexico, Mr. Ernesto Zedillo, have taken note of this problem in trade. They also take note of the need that the new round of trade negotiations be a "round in favour of development", for the benefit of developing countries and in the interest of the most developed countries. As that report affirms, "In the global village, someone else's poverty very soon becomes one's own problem: of lack of markets for one's products, illegal immigration, pollution, contagious disease and insecurity ..."

Our country has been working to expand its markets and, as has occurred in other regions, Argentina first concentrated its efforts on its relations with neighbouring countries, to which we are tied by shared history and affinities that go beyond the area of trade. Through Mercosur, expanded to include Bolivia and Chile, we continue our task of creating an integrated regional bloc, designed as an open type of regionalism and ready to promote the area's trade and economic integration with other regions. Mercosur hopes to move towards an integration of the entire hemisphere in the coming years, within the framework of a free trade zone in all the Americas, which should be completed by 2005. We have recently also initiated the so-called "four + one" negotiations among the Common Market of the South (Mercosur) and the United States with the same purpose of expanding trade liberalization and the openness of our respective markets.

It is along those lines that we view our integration into the world economy in the twenty-first century. But even if we are able to achieve significant advances in domestic policy reform, in the liberalization of trade and in direct investment flows to developing countries, international cooperation for development will continue to be essential for countries that do not have sufficient flows of private investment or that must cope with humanitarian emergencies and natural disasters requiring urgent attention. The role played by loans from multilateral banks and official development assistance is essential to those countries.

We also wish to express the hope that we will attain the goal of having official development assistance reach 0.7 per cent of industrialized countries' gross domestic product. We trust that the Monterrey conference will make it possible to hold an extensive debate on these issues vital to development and the eradication of poverty.

Finally, we would like to express our keen interest in the full participation of developing countries in the extraordinary benefits of the revolution in information and communications technologies. We need not go into detail about the impact that that process has on economic growth and the promotion of trade and in increasing investment. Nevertheless, there is a great risk that the so-called digital divide will further marginalize the developing world away from being able to take advantage of this new opportunity.

We hope that, once the current difficulties are overcome, the Secretary-General will be able to

announce the launching of a public-private task force that will, while working in close coordination with existing initiatives such as the one being promoted by the Group of 8, guide the efforts that will make universal access to information and communications technologies a reality. Our country, which is carrying out projects at the national level to expand and promote the use of the Internet in the area of education, would like to participate in that task force in order to contribute and exchange experiences.

Finally, I wish to express my appreciation for the opportunity given to us to discuss effectively the ways to respond adequately to the current challenges of globalization. We place our hopes in the decisive role to be played by the United Nations in that process.

Mr. Aboul Gheit (Egypt) (*spoke in Arabic*): As this is the first time that I take the floor during this session, I would like to say that Egypt condemns the criminal terrorist acts that took place in Washington, New York and Pennsylvania. We express the deepest condolences of the people and Government of Egypt to the American people and the American Government.

In a world of increased globalization and interdependence, partnerships constitute an essential mechanism for promoting development. They are not a luxury or a choice that countries may or may not consider. This is particularly true with regard to the process of integrating developing countries into the international economic order in a healthy and orderly manner. However, in order for these partnerships to produce their intended results all resources and efforts need to be mobilized to create a set of national and international conditions that are crucial for the successful implementation of such partnerships.

Looking at the issue from a wider perspective, partnerships entail the collaboration and coordination of all efforts at the national and international levels. In our view, partnerships include many actors at the national level, namely, the State and its national institutions, the private sector and civil society. On the international level partnerships include donor countries, multilateral economic institutions, and international civil society, in addition to the international private sector, particularly large transnational corporations.

There is absolutely no doubt that the primary responsibility for formulating development strategies and policies in developing countries is a national one. In this regard, the challenges and potential opportunities provided by globalization dictate the need for forging partnerships on the national level. This is achieved through improved governance structures, capacity-building and raising the standards and modes of operation of domestic institutions, in addition to increasing and improving coordination between various national actors in the area of development. That also requires popular participation through activation of the principles of democracy, human rights and the rule of law. In many cases, the achievement of these standards and goals requires immense human and material resources that are beyond available national means.

In that regard, partnerships between Governments and the private sector play a vital role in closing the existing financial gap and in releasing the immense energy and creativity of the private sector in promoting the development process. Civil society also plays a crucial role in this regard by mobilizing additional resources and distributing the fruits of development in a more equitable manner, in addition to the strong supervisory role it plays in preserving the gains from development, and by expanding the margin of popular participation in strengthening development efforts.

It is not possible for any national effort to achieve economic growth and development within the context of a real constructive spirit of national partnership without the existence of an enabling healthy environment at the international level that promotes development. An international environment that assigns due priority to correcting existing imbalances within the international economic system is crucial. These imbalances could be, inter alia, the result of the negative impact of policy decisions by large developed economies on smaller and weaker ones, or the result of the lagging institutional development of multilateral economic institutions that have not been able to adjust to international economic and political developments with appropriate speed. Hence, there is a need to address such imbalances to make policy decisions more responsive to the development circumstances of developing countries, and to take into account the interests of all members of the international community, and not only the narrow interests of a few number of countries or a minority of large economic entities.

In the light of all this, we see an urgent need for the United Nations and the international community to

end once and for all the impotent dialogue that attempts to distort the evolution of a comprehensive international vision for development. This dialogue attempts to concentrate only on the national or international dimensions and efforts to deal with the dilemma of economic development in this age of rapid globalization. As we recognize the primary national responsibility of countries to formulate their development strategies and policies, we also do not accept the distorted view that reduces the international dimension to a superficial supportive role in strengthening development efforts.

True partnerships require sincere and constructive engagement to correct imbalances at the national and international levels. It also means that the international community should overcome existing views with regard to the roles assigned to the donor countries, the international private sector and multilateral economic institutions, and should start formulating a more positive and engaging role that is more responsive to the development needs and circumstances of developing countries. These revised roles should be honest in recognizing both the responsibilities and duties of all parties at both the national and international levels, within a true spirit of partnership that takes into consideration the right of all peoples of the world to develop and prosper.

The meeting rose at 6.25 p.m.